

**Title:** Business Planning and Financial Modelling Support

**Date:** June 2009 – January 2010

**Client:** South East London Acute Commissioning Unit

**Country / Region:** United Kingdom

CEPA provided business modelling support to the South East London Acute Commissioning Unit (SELACU) – a newly created acute commissioning vehicle for the six Primary Care Trusts in South East London. SELACU has been set up to improve the health of South East Londoners by leading improvements in the commissioning and performance of acute services at a sector level. It is one of six sector organisations across the capital.

CEPA worked with the six PCTs in SE London to evaluate the impact that future funding allocations would have on the financial performance of each PCT and SE London sector as a whole. This will underpin a detailed sector-wide strategy for the commissioning of acute services in SE London as part of the strategic planning for the next five years.

CEPA developed a bespoke sector financial model to forecast the potential funding gap created by NHS London base case, downside and upside financial planning assumptions to 2016/17. We then worked with PCTs to identify and quantify the financial impact of activity and cost growth, PCT efficiency and savings plans and the implementation of the Healthcare for London programme, to understand the actions that PCTs would need to take to ensure financial balance is maintained. Our modelling incorporated the functionality to combine individual PCT acute commissioning intentions into a demand forecast for each NHS Trust in SE London, to give an indication of how efficiency and savings plans at PCT level could impact upon the financial viability and services offered by acute providers.

Our advice assisted PCTs in developing their planning for acute and non-acute service delivery and provided a framework for testing the financial viability of efficiency and reform plans.